

**REMARKS/ARGUMENTS**

Claims 18-32 are pending in the present application and are rejected under 35 U.S.C. 103(a) as unpatentable over U.S. Patent No. 5,892,900 to Ginter et al. (hereinafter "Ginter") in view of U.S. Patent No. 6,009,401 to Horstmann (hereinafter "Horstmann").

Claims 18-22, 24-29, and 31-32 are amended according to the specification. See e.g., pages 15-16. Claim 23 is canceled without prejudice. No new matter has been added.

I. The claim rejections in the current office action are improper

Applicants respectfully object to the claim rejections in the current office action. Claims 18-32 were rejected in the previous office action as obvious over the combination of Ginter and Horstmann. See, Office Action dated February 21, 2006. In response, Applicants amended each independent claim and pointed out how the language of the amended claims patentably distinguished them from the cited references.

In the current office action, the examiner indicates that "Applicant's arguments with respect to claims 18-32, as currently amended, have been considered but are moot in view of the new ground(s) of rejection." See, Office Action at ¶4. However, it does not appear that the examiner has provided any new grounds of rejection. Instead, the claim rejections in the current office action appear to have been copied directly from the previous office action.

Notwithstanding the failure of the claim rejections to address the previous remarks and amendments, Applicants are having difficulty understanding exactly how the cited references have been applied to the claim language. The standard for obviousness rejections is set forth at 37 CFR 1.104(c)(2) as follows:

In rejecting claims for want of novelty or for obviousness, the examiner must cite the best references at his or her command. When a reference is complex or shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable. The pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified.

Here, the primary reference (Ginter) is **360 pages long** and includes **163 sheets of drawings**. This reference is clearly complex and, as discussed below, describes inventions other than that claimed by applicants. The claim rejections mention only extremely limited portions of Ginter and fail to clearly apply them to the language of the claims. Also, an explanation of the pertinence of the Ginter reference has not been provided. In apparent recognition of this deficiency, the previous Examiner included the following note which the current Examiner appears to have adopted:

44. Examiner's Note: Although Examiner has cited particular columns, line numbers and figures in the references as applied to the claims above for the convenience of the applicant(s), the specified citations are merely representative of the teaching of the prior art that are applied to specific claim limitations within the individual claim and other passages and figures may apply as well. It is respectfully requested that the applicant(s), in preparing the response, fully consider the items of evidence in their entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

Applicants respectfully submit that the claim rejections and Examiners' note are improper. The citations of relevant portions of the reference are not merely "for the convenience of the applicant" as the Examiners state. The Office is required under 37 CFR 1.104(c)(2) to designate as clearly as possible the particular part of the reference relied upon, and must clearly explain the pertinence of each reference. Consequently, Applicants' ability to respond effectively to the current office action is reduced. However, in the interest of moving forward with prosecution, Applicants have further amended the claims and have made a good faith effort to address the obviousness rejections as set forth below.

## II. Rejection under 35 U.S.C. §103

The examiner bears the initial burden of making and factually supporting a prima facie case of obviousness. The prima facie case must meet the following criteria (1) the references must teach or suggest all of the claim limitations, (2) there must be some suggestion

or motivation to combine reference teachings, and (3) there must be a reasonable expectation of success. See, MPEP at §2142. Applicants submit that the examiner has not met this burden and has therefore failed to make a prima facie case of obviousness based upon the cited references.

A prima facie case of obviousness has not been established

Claim 18, as amended, is representative and recites distinguishing limitations common among the independent claims. For brevity, the following remarks will be made with reference to the language of amended claim 18. However, these remarks are also applicable to claims 19-21, 23-29, and 31 which contain similar limitations.

A. The cited references do not teach or suggest all of the claim limitations

Claims 18 recites, in part, "a license issuing system in which a license-issuing computer, a seller computer, and a purchaser computer are coupled to communicate with each other ... the seller computer requests input of client information, product information and license program information from the purchaser computer ... the purchaser computer transfers the client information, the product information and the license program information to the seller computer; the seller computer transfers a first license request including the product information and the license program information, but not the client information, to the license-issuing computer; the license-issuing computer issues a trial license key for the program specified by the license program information."

1. Discussion of Ginter reference

Ginter does not teach or suggest the recited claim limitations. As best understood, Ginter discloses a network of "electronic appliances" in which each electronic appliance runs a "rights operating system" that manipulates specially designed software objects. For example, Figure 7 shows electronic appliance 600 as including rights operating system 602. Similarly, Figure 17 shows a software object 302 that is manipulated by the rights operating system 602. As illustrated, software object 302 includes methods 1000 within private body 806 and also includes permission records 808 governing its use. See, Ginter at col. 135 lines 20-50.

Ginter discloses that these electronic appliances are connected to form a "virtual distribution environment." Figure 1 shows virtual distribution environment 100 comprising, among other things, a consumer 208, a publishing house 214, an office building 210, and an information utility 200. According to Ginter, "almost any sort of transaction you can think of can be supported by virtual distribution environment 100." Ginter at col. 53, lines 52-53 (emphasis added). This level of generality is maintained throughout the reference.

a. Figures 1, 2, 53a

The examiner points to Figs. 1-2 in the rejection of claim 18. Figures 1-2 show a virtual distribution environment in which the devices described above are interconnected through either an information utility 200 or a switch 200a. These figures do not disclose the claimed limitations of a purchaser computer, a seller computer, and a license-issuing computer; nor do they disclose the relationship claimed among these elements. Instead, these figures are apparently intended to demonstrate that "any sort of transaction you can think of" is supported by the virtual distribution environment.

Thus, Figures 1-2 do not teach or suggest "the seller computer requests input of client information, product information and license program information from the purchaser computer ... the purchaser computer transfers the client information, the product information and the license program information to the seller computer; the seller computer transfers a first license request including the product information and the license program information, but not the client information, to the license-issuing computer; the license-issuing computer issues a trial license key for the program specified by the license program information."

The examiner also mentions Figure 53a in the rejection of claim 18. Figure 53a is a flow-diagram of an "EVENT" method. Methods, according to Ginter, are collections of basic instructions that control operation of one or more electronic appliances. Ginter at col. 143, lines 30-35. For example, Figure 16 shows that methods 100 contain "method data elements" (MDEs), "user data elements" (UDEs), and "data description elements" (DTDs) as their constituent parts. By themselves, these methods and their constituent parts have no direct bearing on the claimed invention.

b. Columns 196-197

Although not clearly articulated, it appears that the Examiner may have intended for Figure 53a to be read together with Ginter at column 196, lines 45-67 and column 197, lines 1-5. These passages are listed in support of the rejection of claim 18. In relevant part, they are as follows:

DTDs are also used to specify how methods should write to MDEs and UDEs, and thus may be used to implement privacy filters by, for example, preventing certain confidential user information from being written to data structures that will be reported to third parties.

Ginter at col. 197, lines 1-5. This passage is simply a generic statement about the capabilities of software objects exchanged in Ginter's rights operating system. Apparently, "privacy filters" can be implemented by specifying methods for writing data structures. However, this abstract capability in no way teaches the specific elements and limitations of the claimed invention.

Thus, as previously indicated, there is no disclosure of "the seller computer requests input of client information, product information and license program information from the purchaser computer ... the purchaser computer transfers the client information, the product information and the license program information to the seller computer; the seller computer transfers a first license request including the product information and the license program information, but not the client information, to the license-issuing computer; the license-issuing computer issues a trial license key for the program specified by the license program information."

c. Column 43, lines 20-55

The examiner also mentions lines 20-55 of column 43 in support of the rejection. This passage is taken from the Background and Summary of the Invention and, in context, discloses that "one or more methods can be specified as required in order for a VDE installation and/or user to be able to use certain and/or all content." This vague statement is followed by an example in which "a user might require a method that summarizes usage information for reporting to a clearinghouse (e.g., billing information) in a way that does not convey confidential, personal information regarding detailed usage behavior."

It is not clear what is meant by "one or more methods can be specified" nor is it clear how the fact that "a user might require a method" is related to the specifics of the claimed invention. At most, this example seems to suggest that a "user" might be able to restrict information shared with a "clearinghouse" in some unspecified way and through some unspecified type of interaction.

Again, as previously indicated, there is no teaching or suggestion that "the seller computer requests input of client information, product information and license program information from the purchaser computer ... the purchaser computer transfers the client information, the product information and the license program information to the seller computer; the seller computer transfers a first license request including the product information and the license program information, but not the client information, to the license-issuing computer; the license-issuing computer issues a trial license key for the program specified by the license program information."

d. Column 47, lines 20-55

Finally, the examiner mentions lines 20-55 of column 47 as a basis for rejecting the claimed invention. This portion of Ginter, however, simply discusses the idea that a "value chain" can be formed in the virtual distribution environment by a series of agreements between the participating entities. It has no direct bearing on the claimed invention.

2. Discussion of Horstmann

Despite the problems with Ginter, the examiner states that the difference between Ginter and the claimed invention is simply "the use of specific license by merchant computer and authentication." The examiner also adds that Horstmann "shows license by merchant computer." See, Office Action at ¶¶6-7.

Horstmann discusses a system that can transfer, revoke, or relicense software installed on an end user's machine. However, Horstmann explicitly assumes that a license for the software has already been issued and that it has been installed on the end user's machine. As Horstmann plainly states, "it will be assumed that an end user's machine has installed on it a

license certificate and the relicensing manager." Horstmann therefore does not teach or suggest the elements of the claimed license-issuing system or related methods.

Thus, taken alone or in combination, Ginter in view of Horstmann does not supply each and every element of the claimed invention. For this reason, Applicants respectfully submit that a prima facie case of obviousness has not been made.

3. Limitations added in the present response

Claim 18 is currently amended to recite additional limitations. These limitations include, in part, "at a predetermined time before expiration of the trial license key, the seller computer notifies the purchaser computer of said expiration and provides cost information for the program specified by the license program information; the purchaser computer responds to the notification and requests a special license key or a paid license key ... the seller computer transfers a second license request ... to the license-issuing computer; and ... the license-issuing computer issues a second license key for the program specified by the license program."

Applicants respectfully submit that Ginter in view of Horstmann does not teach or suggest the new limitations directed to notification and cost information. In addition, Ginter in view of Horstmann does not teach or suggest a "trial license key", "special license key", or "paid license key" according to the claimed invention.

B. There is no motivation to combine reference teachings

The examiner states that "it would have been obvious to the person having ordinary skill in the art to provide a similar arrangement for Ginter et al because the license elements are conventional functional equivalents with respect to the claim limitations and authentication is a necessary component of validation and use." See, Office Action at ¶4.

It is not clear how Ginter could be combined with Horstmann to produce the claimed invention. In fact, the basic idea of Ginter appears to be establishing an entirely new "virtual distribution environment" with its corresponding "rights operating system" and specialized objects that will revolutionize electronic commerce. At most, Ginter contributes a generic operating environment with customizable software objects. Horstmann, on the other hand, starts by assuming that the license-issuing process has already been completed.

Thus, one of ordinary skill in the art would not been motivated to modify Ginter to produce the claimed invention and would not have had a reasonable expectation of success if modification was attempted. Applicants respectfully submit that the examiner has not provided a valid motivation to modify or combine the cited references and, therefore, the examiner has not met her burden with respect to making a prima facie case.


As discussed above, claim 18 is believed allowable over the cited references for its unique limitations and the combination of elements recited. Claims 19-21, 24-29, and 31 each set forth similar elements and limitations as claim 18 and are therefore also believed allowable over the cited references. Claim 22 depends from claim 21 and is believed allowable for at least the reason that it depends from an allowable base claim. Dependent claims 30 and 32 are believed allowable for the same reason. Applicants therefore request reconsideration and allowance of all pending claims.

### CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 650-326-2400.

Respectfully submitted,

  
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